

INFORMATION SERVICES

BUDGET UNIT: COMPUTER OPERATIONS (IAJ ALL)

I. GENERAL PROGRAM STATEMENT

The Computer Operations Division is comprised of five Sections: Technology Production Control, Integrated Document Management, Wide Area Network, Local Area Network and Systems Support Services. The division supports county departments on a 24/7 basis.

Technology Operations Production Control Services is tasked with the administration and support of the county's enterprise servers, departmental mid-range computers, and over 140 client server computer systems. The section is responsible for maintaining a stabilized environment for the enterprise data center, cross system platform automation, report distribution and disaster recovery.

The Integrated Document Management Section operates the integrated document management, document conversion, data entry and microfilm for the county. The Systems Support Section centralizes and physically consolidates the infrastructure and administration to support the efficient management of countywide servers.

The Wide Area Network (WAN) section provides the communications infrastructure for interconnecting all county departments and provides support for approximately 20,000 users. The Local Area Network (LAN) section provides departmental support for the management of local networks connecting computers within buildings.

The Computer Operations budget unit is an Internal Service Fund (ISF). As an ISF net assets available at the end of a fiscal year is carried over to the next fiscal year and are used as working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rates structure.

II. BUDGET & WORKLOAD HISTORY

	Actual 2001-02	Budget 2002-03	Estimated 2002-03	Department Budget 2003-04
Total Operating Expense	18,457,651	20,177,069	22,323,490	19,943,189
Total Revenue	19,440,566	20,177,069	18,877,280	15,981,129
Revenue Over/(Under) Expense	982,915	-	(3,446,210)	(3,962,060)
Budgeted Staffing		154.4		129.9
Fixed Assets	1,123,668	2,879,261	1,029,822	1,522,046
Unrestricted Net Assets Available at Yr End	7,275,075		5,449,094	
Workload Indicators				
PC Users/E-Mail Customers	15,463	14,467	14,697	14,697
Record Keyed	19,023,588	19,901,199	21,065,667	21,065,667
Dist. Depart. Sys. Sup. Bill. Hrs.	10,328	6,868	3,767	3,767
Telepro. Sup. Billable Hrs.	6,117	7,146	3,600	3,600
Wan Connections	359	363	367	370
CPU Hours	17,621	13,630	17,902	17,902
PC Desktop Billable Hours	19,369	26,299	21,000	20,000

In 2002-03 operating expenses estimated over budget by \$1,676,533. This is caused by a combination of a mid year approval of \$3.0 million for the Geographical Information System (GIS) parcel base map project and mitigated by cost reduction measures of \$1,323,467. One time funding of \$2.0 million for GIS parcel base map project was transferred from IAM. Revenue is estimated under budget by \$1,299,789 due to a decrease in projected service revenues. The expense over revenue of \$2,976,322 results from the approved one-time funding of the GIS project from the use of unrestricted net assets in this fund. Fixed assets purchases are under budget because of cost cutting measures.

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III. HIGHLIGHTS OF RECOMMENDED PROGRAM FUNDED ADJUSTMENTS

STAFFING CHANGES

Overall budgeted staffing decreased by 24.5 vacant budgeted positions. Changes included the deletion of 6.0-Automated Systems Analyst I; 1.0-Automated Systems Analyst II; 1.0-Chief Data Entry Supervisor; 3.0-Clerk II; 3.0-Computer Operator; 1.0-Data Control Clerk III; 2.0-Data Entry Operator II; 1.0-Data Processing Scheduler; 3.0-P1-Product Analyst; 3.0-Product Specialist and 1.0-Programmer Analyst III XHelp. These deletions were needed for cost savings to compensate for projected revenue decreases and budget constraints. Decreases were offset slightly by increase overtime usage of 0.5 positions.

Salaries and benefit cost for approximately 24.5 positions totaling \$1,122,385 was deleted in order to manage to projected workload changes, decreased service revenues and to help offset cost increases in other expense areas.

PROGRAM CHANGES

Staffing and the purchase of services and supplies were reduced to bare minimum levels to hold current year service rates the same and to help offset cost increases.

Services and supplies cost in Computer Software, equipment purchases, training, equipment rental and interest expense budgets were decrease by \$1,417,639. These reductions were required to offset declining revenues and cost increases of \$1,166,976 for inflation and insurance; higher cost to maintain internal business applications; GIS parcel base map costs; increase in administrative support costs; increased equipment depreciation expenses and to establish a Quality Assurance (QA) program. COWCAP budget was reduced by \$110,592 to reflect actual cost allocation of the plan.

The above changes are necessary to maintain a break-even status with projected service revenues, which are declining.

Service revenue projections have decreased by \$1,483,640 in anticipation of further service impacts of future State budget cuts in user departments.

Fixed asset equipment purchases decreased by \$1,357,215 to reflect current requirements; fully amortized lease purchase equipment loans; and budget constraints.

OTHER CHANGES

None.

IV. VACANT POSITION IMPACT

The department has a total of 5.0 vacant budgeted positions in their 2003-04 Department Request Budget. The breakdown of these positions is as follows:

Vacant Budgeted Not in Recruitment	5.0	Slated for Deletion
Vacant Budgeted in Recruitment	<u>0.0</u>	Retain
Total Vacant	5.0	

Vacant Position Restoration Request:

The department is not requesting restoration of any vacant budgeted positions that are slated for deletion.

V. OTHER POLICY ITEMS

None.

VI. FEE CHANGES

None.

GROUP: Administrative/Executive
DEPARTMENT: Information Services - Computer Operations
FUND: Internal Services IAJ ALL

FUNCTION: General
ACTIVITY: Computer Operation

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ANALYSIS OF 2003-04 BUDGET

	A	B	C	D	B+C+D E Board Approved Base Budget
	2002-03 Year-End Estimates	2002-03 Final Budget	Base Year Adjustments	Mid-Year Adjustments	
<u>Appropriation</u>					
Salaries and Benefits	8,091,565	9,598,469	811,988	-	10,410,457
Services and Supplies	14,027,910	10,439,585	-	-	10,439,585
Other Charges	<u>36,446</u>	<u>36,446</u>	<u>-</u>	<u>-</u>	<u>36,446</u>
Total Exp Authority	22,155,921	20,074,500	811,988	-	20,886,488
Reimbursements	(856,920)	(856,920)	-	-	(856,920)
Depreciation	1,024,489	959,489	-	-	959,489
Total Operating Expense	22,323,490	20,177,069	811,988	-	20,989,057
<u>Revenue</u>					
Current Services	<u>18,877,280</u>	<u>20,177,069</u>	<u>(2,712,300)</u>	<u>-</u>	<u>17,464,769</u>
Total Revenue	18,877,280	20,177,069	(2,712,300)	-	17,464,769
Revenue Over/(Under) Exp.	(3,446,210)	-	(3,524,288)	-	(3,524,288)
<u>Fixed Asset Expense</u>					
Equipment	1,359,532	2,143,225	-	-	2,143,225
Equip/Lease Purchase	<u>1,054,729</u>	<u>736,036</u>	<u>-</u>	<u>-</u>	<u>736,036</u>
Total Fixed Assets	2,414,261	2,879,261	-	-	2,879,261
Budgeted Staffing		154.4	-	-	154.4

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ANALYSIS OF 2003-04 BUDGET

	E	F	E+F	H	G+H	J	I+J
	Board	Recommended	G		I		K
	Approved	Program	2003-04	Vacant	2003-04	Recommended	2003-04
	Base	Funded	Department	Position	Proposed	Vacant	Recommended
	Budget	Adjustments	Request	Impact	(Adjusted)	Restoration	Budget
<u>Appropriation</u>							
Salaries and Benefits	10,410,457	(1,122,385)	9,288,072	(255,199)	9,032,873	-	9,032,873
Services and Supplies	10,439,585	(68,184)	10,371,401	-	10,371,401	-	10,371,401
Other Charges	<u>36,446</u>	<u>(8,151)</u>	<u>28,295</u>	<u>-</u>	<u>28,295</u>	<u>-</u>	<u>28,295</u>
Total Exp. Authority	20,886,488	(1,198,720)	19,687,768	(255,199)	19,432,569	-	19,432,569
Reimbursements	(856,920)	22,863	(834,057)	-	(834,057)	-	(834,057)
Depreciation	<u>959,489</u>	<u>129,989</u>	<u>1,089,478</u>	<u>-</u>	<u>1,089,478</u>	<u>-</u>	<u>1,089,478</u>
Total Appropriation	20,989,057	(1,045,868)	19,943,189	(255,199)	19,687,990	-	19,687,990
<u>Revenue</u>							
Current Services	17,464,769	(1,483,640)	15,981,129	(255,199)	15,725,930	-	15,725,930
Total Revenue	17,464,769	(1,483,640)	15,981,129	(255,199)	15,725,930	-	15,725,930
Revenue Over/(Under) Exp.	(3,524,288)	(437,772)	(3,962,060)	-	(3,962,060)		(3,962,060)
<u>Fixed Asset Expense</u>							
Equipment	2,143,225	(912,643)	1,230,582	-	1,230,582	-	1,230,582
Equip/Lease Purchase	736,036	(444,572)	291,464	-	291,464	-	291,464
Total Fixed Assets	2,879,261	(1,357,215)	1,522,046	-	1,522,046	-	1,522,046
Budgeted Staffing	154.4	(24.5)	129.9	(5.0)	124.9	-	124.9

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	Base Year Adjustments
Salaries and Benefits	279,278 MOU.
	518,511 Retirement.
	14,199 Risk Management Works Comp.
	<u>811,988</u>
Total Base Year Operating Expense	<u>811,988</u>
Current Services	<u>(2,712,300)</u> Decrease in CPU and Infrastructure rates for 2003-04.
Total Base Year Revenue	<u>(2,712,300)</u>
Total Base Year Revenue Over/(Under)	<u>(3,524,288)</u>

Service rates for CPU and Infrastructure services were decreased to return \$2,712,300 in retained earning to users of this fund. Base Year increases in MOU, Retirement and Worker Comp cost totaling \$811,988 were absorbed without any offsetting rate increases.

	Recommended Program Funded Adjustments
Salaries and Benefits	<u>(1,122,385)</u> Decreased to reflect deletion of 25.0 positions and increased overtime usage of 0.5 positions.
Services and Supplies	
Computer Software Expense	(286,772) Decreased for cost savings purposes and reduced users projected requirement.
Inventoriable Equipment	(447,256) Decrease for cost saving purposes and projected user needs.
Training	(171,469) Decreased for cost savings purposes.
COWCAP	(110,592) Decreased allocation per approved plan.
Distributed Dp Equipment	(300,331) Decreased to user projected needs and cost savings purposes.
Purchase of Material	256,934 Increased cost for paper, tape, and other computer supplies.
Insurance & Other General Svcs	221,592 Increased cost for insurance and other business related expenses.
Transfers	(32,278) GASB 34 Accounting Change (EHAP).
Rents & Leases-Equipment	(203,660) Decreased reflecting lease to purchase conversion and reduced projection by ISF users.
Application Development Svcs	567,876 Increased to reflect current cost of maintaining internal business systems, GIS parcel basemap support and to establish a Quality Assurance function.
	<u>437,772</u> GIS parcel base map project
	<u>(68,184)</u>
Other Charges	<u>(8,151)</u> Reduced interest on fully paid loans.
Total Exp Authority	<u>(1,198,720)</u>
Reimbursements	(9,415) Decrease in projected reimbursements of internal administrative cost allocation among ISD operating divisions.
	<u>32,278</u> GASB 34 Accounting Change (EHAP).
	<u>22,863</u>
Depreciation	<u>129,989</u> Depreciation expense for full year of new purchases.
Total Operating Expense	<u>(1,045,868)</u>
Revenue	<u>(1,483,640)</u> Decreased to reflect projected reduction in service revenues.
Revenue Over/(Under) Exp	<u>437,772</u>
Fixed Asset Expense	
Equipment	<u>(912,643)</u> Decrease to reflect current need for capital equipment.
Equip Lease-Purchase	<u>(444,572)</u> Reduced principal payment portion for fully paid loans.
Total Fixed Asset	<u>(1,357,215)</u>

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Vacant Position Impact Summary

	Authorized	Budgeted Staffing	Salary and Benefit Amount	Revenue	Rev. Over (Under)
Vacant Budgeted Not In Recruitment - Delete	5	255,199	255,199	255,199	-
Vacant Budgeted in Recruitment - Remain	-	-	-	-	-
Total Vacant	5	255,199	255,199	255,199	-
Recommended Resoration of Vacant Deleted	-	-	-	-	-

Vacant Position Impact IAJ ALL Detail

	Position Number	Budgeted Staffing	Salary and Benefit Amount	Revenue	Rev. Over (Under)
Note: If position is seasonal indicate next to Classification (Seasonal:May thru August)					
<u>Vacant Budgeted Not in Recruitment</u>					
Computer Operations Specialist	75690	(1.0)	(50,586)	(50,586)	-
Computer Operations Supervisor	1114	(1.0)	(55,147)	(55,147)	-
Fiscal Clerk II	3342	(1.0)	(17,893)	(17,893)	-
Systems Support Supervisor	74159	(1.0)	(86,138)	(86,138)	-
Accounting Technician	71771	(1.0)	(45,435)	(45,435)	-
Total Slated for Deletion		(5.0)	(255,199)	(255,199)	-
<u>Vacant Budgeted In Recruitment - Retain</u>					
Total in Recruitment Retain		-	-	-	-

NOTE: If applicable, the vacant position will be bolded if included in the 30% Cost Reduction Plan not yet implemented.
If applicable, the seasonal vacant position that is currently not filled will indicate which months they are needed.